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NASA Employees/Zero Base Review

May 19, 1995

Dan Goldin

I wanted to talk directly to NASA employees about downsizing. I want you to know exactly what's going on.

All of you know that the Zero Base Review recommendations are in. NASA has done a tremendous job with this review. Hundreds of you were involved. The result is outstanding.

Some said we couldn't absorb the new \$5 billion cut. But we did it. NASA stepped up to the challenge. The Zero Base Review is something we can be very proud of.

Now, what do the recommendations and findings mean to you? Let me start with the toughest issue first -- jobs.

I know there's been a lot of confusion and concern. We're doing our best to keep you informed. We don't have all the answers, but I want to share with you what we do know.

Based on the President's budget, we have to cut NASA by 4,000 more people by the year 2000. Our buyouts helped a lot. A

total of 2,606 people took advantage of them. But we've still got 4,000 to go.

We are actively, aggressively managing the downsizing process. I'm committing to you that we will do everything we can to avoid a RIF. We'll apply all the Agency's resources to meeting this challenge.

You can help us. You may get an offer to move to another Center. I encourage you to embrace it. Be receptive. Your support will be a tremendous help. This will be an important tool in managing downsizing.

We're doing other things as well. We've got an outplacement company working for us right now. We found out through our buyouts that more people are planning to leave the Agency. Maybe not this year, but soon.

A RIF will always be our last resort. It's disruptive, and we don't want to do it.

You need to know that Congress is considering deeper cuts, to nearly double the President's cuts. That would change everything.

Let me turn now to the Centers.

NASA Centers are crucial to the future of America's aeronautics and space program. We're going to maintain the integrity of all of them.

There will be changes. They are changes that make sense. The Centers will be more focused. Each Center's mission will be much clearer. You'll know exactly what your Center's mission is. Centers will do what they do best, and let the rest go.

The management of some functions and jobs will be moved so that one lead Center will manage everything in its area of excellence.

The result will be 10 NASA field installations that are absolutely world class at what they do.

Senior management has agreed on each Center's mission and area of excellence.

The details about each Center are available from your public affairs office. We also put the information on the Internet, on NASA's home page.

Where does the process go from here? The Zero Base Review will feed into the FY 1997 budget process.

Here's how it will work. Based on the Zero Base Review, we'll send out guidelines to the Centers in early June. The Centers and Headquarters will work on budget recommendations through August. In early September, we'll send NASA's FY 1997 budget plan to OMB. In January, the President will unveil his budget plan for FY 1997. Then the whole process starts on Capitol Hill.

Let me say a word about what's happening on Capitol Hill.

As you know, we've been very aggressive about managing budget cuts. We've been successful, too. Despite the cuts, we've maintained a balanced program. A program that delivers to America.

I'm sure you've read about the additional cuts considered by Congress. There's an effort to double the President's \$5 billion cut.

We're fighting this on Capitol Hill. We're standing behind the President's budget and the NASA workforce. We've worked the President's cut. We've been out front on reinvention. We have an outstanding plan to meet our targets. We've taken appropriate cuts. And we've done it without complaint.

Now, we're holding the line. We're telling Congress we can't cut any more. Not without major losses. Not without profoundly degrading America's aeronautics and space program. If our cuts were doubled, we'd have to shut down a combination of enterprises, programs, and Centers. That will jeopardize our contribution to America's competitiveness and vitality, and America's children.

The Congressional proposal is far from a done deal. We don't know the outcome yet. We're hopeful the President's plan will prevail.

I want to close with two thoughts.

One, NASA should be very proud of the Zero Base Review. The team did a terrific job. NASA showed its stuff -- its management

skills, creativity, the determination to do the job and do it right. We have a lot to be proud of.

The last thought I want to leave you with is this. Change is unsettling. It's not easy for anybody. But we've got to refocus ourselves now. We've got to focus on the job at hand. We need to work together to do NASA's extraordinary mission. To expand the frontiers of knowledge in air and space. To make life better for Americans and give our children the inspiration and hope they'll need in the coming century.

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